

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION**

#### **CONFERENCE COMMITTEE ON HOUSE AMENDMENTS TO SENATE BILL 424**

**Call to Order:** By **CHAIRMAN BOB STORY JR.**, on April 26, 2003 at 7:00 A.M., in Room 335 Capitol.

#### **ROLL CALL**

**Members Present:**

Sen. Bob Story Jr., Chairman (R)  
Rep. Joan Andersen, Vice-Chairman (R)  
Sen. Fred Thomas (R)  
Sen. Linda Nelson (D)  
Rep. Verdell Jackson (R)  
Rep. Nancy Fritz (D)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Eddy McClure, Legislative Branch  
Connie Erickson, Legislative Branch  
Mari Prewett, Committee Secretary

**Please Note.** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing & Date Posted: SB 424, 4/21/2003  
Executive Action:

Continuation from April 25, 2003, of Free Conference Committee on SB 424.

**SEN. STORY** stated that there had been a lot of work done on SB 424 as far as the federal retirement issue was concerned. A new amendment was distributed to the Committee for their consideration, attached as Exhibit 1. **SEN. STORY** highlighted what the new amendments were.

**EXHIBIT (cch89sb0424a01)**

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**SEN. NELSON** asked about the money for special education. **Ms. Carlson** explained that the money would have to be put into HB 2.

**SEN. NELSON** asked Ms. Carlson how much the Guaranteed Tax Base was going to be increased. **Ms. Carlson** responded that it would be \$300,000.

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**Connie Erickson, Legislative Services**, walked the Committee through the new amendments and explained the major changes and the CPI language.

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**Ms. Erickson, Legislative Services**, explained that they would need to add the block grant language into the amendment for SB 424 from SB 323.

**SEN. NELSON** asked Ms. Erickson if the Committee was accepting the changes that had already been added by the House. **Ms. Erickson** stated that the only change that was being made to the House amendments was the language in the CPI. She went on to say that everything else that had come from the House was being left in the bill.

**SEN. NELSON** asked Ms. Erickson what had not been added from SB 323. **Ms. Erickson** replied that almost all of SB 323 had been added to SB 424.

**SEN. STORY** stated that they needed to make a motion to accept the House amendments as the Senate had rejected them.

**Motion/Vote:** **SEN. NELSON** moved that **THE HOUSE AMENDMENTS TO SB 424 BE ADOPTED**. Motion carried 6-0 by voice vote.

**Motion:** SEN. THOMAS moved that AMENDMENT SB042411.ace BE ADOPTED.

**Discussion:**

SEN. STORY explained that amendment SB042411.ace would be amended to include the block grant language for county wide retirements.

SEN. NELSON asked Ms. Carlson to explain the amendment. Ms. Carlson distributed a revised sheet on the fiscal impacts to SB 323, attached as Exhibit 2. Ms. Carlson explained Exhibit 2 and how it affected the funding language and the bill. She went on to state that it was a one time cost for a long term savings to the county levies.

REP. JACKSON asked Ms. Carlson if it truly was a hit. Ms. Carlson stated that they were taking out the block grants so it was clearly a hit.

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REP. ANDERSEN asked Ms. Carlson if the \$8 million was made up by local district levies. Ms. Carlson replied that it was made up of countywide levies.

SEN. NELSON asked for the members of the education community to advise the Committee of their feelings regarding the new plan.

Lance Melton, Montana School Boards Association, informed the Committee that they were comfortable with the compromise. He went on to say that it was a fair compromise which created balance.

Dave Puyear, Montana Rural Education Association, stated that they endorsed SB 424 with the amendments.

Eric Feaver, MEA/MFT, spoke in opposition to the bill.

Madalyn Quinlan, Office of Public Instruction, expressed their support of the bill with the amendments.

SEN. STORY asked Ms. Quinlan to explain the CPI and enrollment adjustments to the Committee. Ms. Quinlan explained how the present law adjustment factored in with enrollment. She went on to say that having the inflationary factor available to them was very important.

*{Tape: 1; Side: B; Approx. Time Counter: 0 - 10.2}*

**Kris Goss, Governor's Office**, spoke in support of SB 424.

**Steve Johnson, District Clerk, Bozeman School District**, expressed their support of the compromise.

**Mary Whittingham, Montana Taxpayers Association**, asked for further information on how the bill would work in the ensuing years to show the local taxpayers.

**SEN. NELSON** asked Ms. Carlson to prepare a document showing the effects of the bill through the next few years. **Ms. Carlson** indicated that after the session she would prepare a chart, that at present she only had the figures for the first two years.

**SEN. RYAN, Amy Carlson and Mary Whittingham** discussed the maintenance of effort issue and the school flexibility account and why the language was in the bill.

**SEN. STORY** explained the flex fund language to **SEN. RYAN**.

*{Tape: 1; Side: B; Approx. Time Counter: 10.2 - 18.1}*

**SEN. NELSON** asked Ms. Carlson how they arrived at the amounts for the schedule increases. **Ms. Carlson** replied that it was a balancing act.

**SEN. NELSON** asked **SEN. STORY** if there was money available. **SEN. STORY** responded that there was.

*{Tape: 1; Side: B; Approx. Time Counter: 18.1 - 19.1}*

**Vote:** Motion that the AMENDMENT SB042411.ace TO SB 424 BE ADOPTED carried 5-1 by roll call vote with REP. FRITZ voting no.

**Motion/Vote:** **SEN. STORY** moved that the CONFERENCE COMMITTEE REPORT FOR SB 424 BE ADOPTED. Motion carried 6-0 by roll call vote.

**ADJOURNMENT**

Adjournment: 8:00 A.M.

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SEN. BOB STORY, JR., Chairman

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MARI PREWETT, Secretary

BS/MP

**EXHIBIT** (cch89sb0424aad)